

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

) Confirmation No.: 1331
)
) Group Art Unit: 3628
)
) Examiner: Jennifer Liversedge
)
Appellant: Lawrence) AMENDED APPEAL BRIEF (filed in
) response to Notification of Non-
Application Serial No.: 09/812,628) Compliant Appeal Brief dated March
) 13, 2007)
Filing Date: March 20, 2001)
)
For: AUTOMATED ACCOUNT RISK) Attorney Docket No.: G08.126
MANAGEMENT)
) PTO Customer Number 28062
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Mail Stop Appeal Brief - Patents
Commissioner for Patents
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Sir:

Appellant hereby submits an Amended Appeal Brief to appeal to the Board of Patent Appeals and Interferences from the decision of the Examiner in the Final Office Action mailed June 21, 2006 (the "Final Office Action"), rejecting claims 1 – 20, and the Notification of Non-Compliant Appeal Brief dated March 13, 2007.

REAL PARTY IN INTEREST

The present application is assigned to GOLDMAN SACHS & CO., 85 Broad Street, New York, NY 10004

RELATED APPEALS AND INTERFERENCES

No other appeals or interferences are known to Appellant, Appellant's legal representative, or assignee, which will directly affect, be directly affected by, or have a bearing on the Board's decision in the pending appeal.

STATUS OF CLAIMS

Claims 1 – 20 are pending in this application. Claims 1 – 17 and 20 were previously presented; claims 18 and 19 remain unchanged from the original versions thereof; and claims 21 and 22 have been cancelled. Claims 1 – 20 stand rejected and are now being appealed.

STATUS OF AMENDMENTS

No amendments are pending or were filed subsequent to the Final Office Action.

SUMMARY OF CLAIMED SUBJECT MATTER

Appellant claims a method and computerized system to manage risk related to opening a client account related to, for example, management of financial assets and investments. The claimed method and system may be used to facilitate analysis and quantification of a reputational risk related to opening of the client account where the reputational risk relates to a professional standing in an industry of an account opening entity. (See Abstract and paragraph [0006] of Patent Application Publication US

2003/0138408 corresponding to the present application, hereinafter the "Pat. App. Pub.")

Independent claim 1 recites a computer-implemented method to manage risk related to opening a client account, including receiving digital information into a computer system relating to a client seeking to open the client account. (See FIGS. 2 and 3; and Pat. App. Pub. paragraph [0030], ln. 1 – 6). The method also includes structuring the received digital information according to a risk quotient criteria associated with a reputational risk of opening the client account, wherein the reputational risk relates to a professional standing in an industry of an account opening entity. The structuring of the information may include, for example, allocating and formatting the received information to appropriate fields of a database based on the type of information received. A weight or ranking may be assigned or attached to the risk quotient criteria to indicate an importance of the risk quotient associated with the reputational risk of opening the account. Based on the structured information and the weight associated with the risk quotient criteria a risk quotient is calculated, according to claim 1. The calculated risk quotient may provide an indication of the risk associated with opening the account. Weighted risk scores for a number of risk categories may be summed to calculate a total risk score or the risk quotient. (See the flow diagram of FIG. 3 and the discussion related to same at Pat. App. Pub., paragraphs [0031] – [0033]) The calculated risk quotient may be used to facilitate management, analysis, and other processes related to opening the account by generating a suggestion in response to the calculated risk quotient. (See FIG. 3 and Pat. App. Pub., paragraphs [0035] – [0036]).

Independent claim 16 relates to a computerized system for managing risk associated with opening a client account including a computer server accessible with a network access device via a communications network and executable software stored on the server and executable on demand. The server and software are operative to implement the processes hereinabove regarding claim 1. Support for claim 16 is provided in FIG. 2 that depicts an exemplary computer system, the flow

diagram of FIG. 3, and the detailed discussion provided in Pat. App. Pub., paragraphs [0030] – [0036]).

Independent claim 20 relates to computer executable code residing on a computer-readable medium for managing risk associated with opening a client account. The program code includes instructions for causing a computer to implement the processes described hereinabove regarding claim 1. Support for claim 20 is provided in FIG. 2 that depicts an exemplary computer system to execute the claimed program code, the flow diagram of FIG. 3, and the discussion provided in Pat. App. Pub., paragraphs [0011], [0013], [0030] – [0036], and [0039]).

GROUND OF REJECTION TO BE REVIEWED ON APPEAL

The rejection of claims 1 – 3, 5 – 9, 11, and 20 under 35 USC 103(a) as being unpatentable over U.S. Pat. Pub. No. 2003/0135457 to Stewart et al. (hereinafter, Stewart).

The rejection of claims 4, 10, and 16 - 19 under 35 USC 103(a) as being unpatentable over Stewart, and in further view of U.S. Pat. Pub. No. 2002/0143686 to Greene et al. (hereinafter, Greene).

The rejection of claims 12, 13, and 15 under 35 USC 103(a) as being unpatentable over Stewart, and in further view of Dictionary of Economics by Wiley (1995) from www.xreferplus.com (hereinafter, xreferplus).

ARGUMENT

I. Applicable Law

In rejecting claims under 35 USC § 103, the Examiner bears the initial burden of presenting a *prima facie* case of obviousness. See In re Rijckaert, 9 F.3d 1531,1532, 28

USPQ2d 1955, 1956 (Fed. Cir. 1993). A *prima facie* case of obviousness is established by presenting evidence that would have led one of ordinary skill in the art to arrive at the claimed invention. See In re Fine, 837 F.2d 1071, 1074, 5 USPQ2d1596, 1598 (Fed. Cir. 1988). Evidence of a suggestion, teaching, or motivation to modify a reference may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, from the nature of the problem to be solved, see Pro-Mold & Tool Co. v. Great Lakes Plastics, Inc., 75 F.3d 1568, 1573, 37 USPQ2d1626, 1630 (Fed. Cir. 1996), although "the suggestion more often comes from the teachings of the pertinent references," In re Rouffet, 149 F.3d 1350, 1355, 47 USPQ2d 1453, 1456 (Fed. Cir.1998). The range of sources available, however, does not diminish the requirement for actual evidence. That is, the showing must be clear and particular. See, e.g., C.R.Bard Inc. v. M3 Sys., Inc., 157 F.3d 1340, 1352, 48 USPQ2d 1225, 1232 (Fed. Cir.1998), cert. denied, 119 S. Ct. 1804 (1999). A broad conclusory statement regarding the obviousness of modifying a reference, standing alone, is not evidence. Thus, when an Examiner relies on general knowledge to negate patentability, that knowledge must be articulated and placed on the record. See In re Lee, 277 F.3d 1338, 1342-45, 61 USPQ2d 1430, 1433-35 (Fed. Cir. 2002).

As will be evident from the following detailed discussion, the cited and relied upon Lent and Walker fail to disclose or suggest that for which the Examiner cites and relies upon them to disclose. Furthermore, the Examiner fails to provide any reasoning articulated in the references for concluding the claims are obvious.

II. Claims 1 – 3, 5 – 9, 11, and 20 are Patentable over Stewart, and in further view Greene under 35 USC. 103(a)

Regarding the rejection of claims 1 – 3, 5 – 9, 11, and 20 under 35 USC 103(a) as being unpatentable over U.S. Pat. Pub. No. 2003/0135457 to Stewart under 35 USC 103(a) in the Final Office Action, Appellant notes that the Non-Final Office Action dated June 21, 2006 cited and relied upon Stewart for all of the claimed aspects except for an explicit disclosure of the claimed reputational risk relating to a professional standing in

an industry of an account opening entity. The Final Office Action stated that it would have been obvious to one of ordinary skill in the art that reputation risk related to one's professional standing would be a factor in making the determination of opening an account. As an example, the Examiner provides the scenario of a client known to have embezzled funds through a previous account (i.e., criminal and/or legal risk).

The cited and relied upon Stewart discloses a system and method for electronically establishing a demand deposit account. In particular, Stewart discloses a system and method wherein a customer applies for the demand account on-line and provides personal information to an institution as necessary for the institution to determine the product(s) for which the customer is approved. Stewart states an automated system acquires predictive information, interacts with established debit, credit, and other databases, and either approves or denies the customer's application for a demand deposit account. (See Stewart, paragraph [0007], ln. 6 – 13) Stewart specifically discloses the use of debit and credit databases. No mention or suggestion is made in Stewart regarding Appellant's claimed risk quotient criteria associated with reputational risk of opening a client account, wherein the reputational risk relates to a professional standing in an industry of an account opening entity.

The Stewart system includes "an authorization system 60 [that] is used to validate consumer identity and to assess customer risk, unique financial product usage, demographic knowledge at a household-level-assessment, and cross-sell qualification. ... The authorization system 60 uses a logistic-regression model to predict the likelihood of financial (and particularly debit) account-related abuse. The authorization system 60 uses customer data such as the customer's social security number, driver's license number, and address to calculate the risk that an account will be closed for abuse at a later date." (emphasis added) (See Stewart, paragraph [0020], ln. 1 –14) Stewart also discloses a fraud identification system (70) that predicts the likelihood of identity manipulation and predictive fraud modeling, and helps to identify inconsistent, inaccurate, and fraudulent information provided by the customer. (See Stewart, para. 0042)

Stewart discloses a demand account approval process that explicitly considers a credit or financial risk and a fraudulent identity risk. Specifically, the credit risk relates to a credit rating of the customer and the fraudulent identity risk relates to "inconsistent, inaccurate, and fraudulent information provided by the customer". (See Stewart, paragraphs [0020], ln. 19 – 21, and [0040], ln. 9 – 12) Stewart also discloses searching lists published by the United States Treasury Department Office of Foreign Assets Control (OFAC) to maintain OFAC compliance.

It is thus clear that the factors explicitly disclosed and considered in Stewart specifically and directly relate to the customer's credit and financial standing, as well as the customer's identity and strict compliance with OFAC regulations.

Appellant respectfully agrees with the Examiner's admittance that Stewart does not disclose "wherein said reputation relates to a professional standing in an industry of an account opening entity." However, Appellant disagrees with the Examiner's broadly stated conclusion that it would have been obvious to one skilled in the art that reputation risk related to one's professional standing would be a factor in making the determination of opening an account. (See Final Office Action dated July 21, 2006, page 3, ln. 16 – page 4, ln. 1)

Appellant respectfully submits that the reasons provided in the Advisory Action dated August 31, 2006 for not allowing the application are also factually incorrect. For example, the Examiner states, "[S]tewart discloses the use of reputation in considering account opening. The consideration of credit score and credit rating are part of reputational risk."

Appellant disagrees with the Examiner's definition of reputational risk on the basis that it is not supported by the cited and relied upon Stewart or any other substantiated evidence. Additionally, the Examiner's alleged definition of the claimed reputational risk is contrary to Appellant's clearly claimed and disclosed meaning of the term "reputational risk". As a matter of fact, Appellant states reputational risk relates to harm that a financial institution may suffer regarding its professional standing in an

industry (Specification, page 2, ln. 9 – 10) and claims reputational risk relates to a professional standing in an industry of an account opening entity. Appellant also discloses, "[C]redit risk relates to factors that can adversely affect a party's ability to borrow money." (See Specification, page 2, ln. 3 – 4) The data and analysis to identify credit risk is not the same as the data and analysis needed to identify the claimed reputational risk. The credit score and credit rating factors disclosed by Stewart clearly relate to a credit risk.

Thus, it is clear, as a matter of fact, that Stewart fails to disclose the claimed reputational risk and the motivation or basis of the Examiner's conclusion that Stewart suggests the claimed reputational risk is erroneous.

Accordingly, Appellant submits that claims 1 – 3, 5 – 9, 11, and 20 are patentable over Stewart under 35 USC 103(a).

III. Claims 4, 10, and 16 – 19 are Patentable over Stewart, and in further view of Greene under 35 USC. 103(a)

Claims 4, 10, 14, and 16 - 19 were rejected as being unpatentable over Stewart, and further in view of U.S. Patent Number US 2002/0143686 A1 to Greene et al. (hereinafter, Greene).

Appellant further submits that Greene fails to address or overcome the failings of Stewart. As clearly shown above regarding claims 1 and 20, Stewart fails to disclose or suggest the claimed reputational risk. Accordingly, even combining Stewart with Greene (as alleged in the Office Action but not agreed with as suggested or feasible by Appellant) would not render claim 16 obvious.

Appellant respectfully submits that claims 4, 10, 14, and 17 – 19 depend from allowable base claims and are therefore also allowable. Accordingly, Appellant submits that claims 4, 10, 14, and 16 - 19 are patentable over Stewart and Greene under 35 USC 103(a).

IV. Claims 12 - 13 and 15 are Patentable over Stewart as applied to claim 1, and further in view of xreferplus under 35 USC. 103(a)

Claims 12 - 13 and 15 were rejected as being unpatentable over Stewart as applied to claim 1, and further in view of xreferplus.

Appellant respectfully submits that claims 12 - 13 and 15 depend from an allowable base claim, namely claim 1. For at least this reason, Appellant submits that claims 12 - 13 and 15 are also allowable.

Accordingly, Appellant respectfully requests the reconsideration and withdrawal of the rejection of claims 1 – 20.

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CONCLUSION

Appellant respectfully suggests that the rejections of claims 1 – 20 are improper and request that the rejections be reversed. If any issues remain, or if the Examiner or the Board has any further suggestions for expediting allowance of the present application, kindly contact the undersigned using the information provided below.

Respectfully submitted,

April 2, 2007
Date

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Appendix A - Claims
Appendix B - Evidence
Appendix C - Related Proceedings

Appendix A - Claims

The following is a complete copy of the claims involved in the appeal:

1. (Previously presented) A computer-implemented method to manage risk related to opening a client account, the method comprising:

receiving digital information into a computer system relating to a client seeking to open the client account;

structuring the received digital information according to a risk quotient criteria associated with a reputational risk of opening the client account, wherein said reputational risk relates to a professional standing in an industry of an account opening entity;

associating a weight with the risk quotient criteria;

calculating a risk quotient based on the structured information and the weight associated with the risk quotient criteria; and

generating a suggested action in response to the calculated risk quotient.

2. (Previously presented) The method of claim 1, further comprising storing data comprising the received information, the risk quotient, and the suggested action in a risk quotient criteria database; and

generating a due diligence report based upon the stored data.

3. (Previously presented) The method of claim 2, wherein the due diligence report comprises a history of inquiries made relating to the client account and actions taken responsive to the risk quotient.

4. (Previously presented) The method of claim 1 further comprising :

presenting a graphical user interface to a network access device;

displaying questions relating to the client account on the graphical user interface; and

receiving information into the computer system responsive to the questions displayed.

5. (Previously presented) The method of claim 1, wherein the received information is received from an source of electronic data.

6. (Previously presented) The method of claim 1, wherein the suggested action is responsive to the received information.

7. (Previously presented) The method of claim 1, wherein the suggested action is directed towards reducing at least one of a financial, legal, regulatory, and reputational risk associated with the client account.

8. (Previously presented) The method of claim 1, wherein the suggested action comprises blocking an opening of the client account.

9. (Previously presented) The method of claim 1, wherein the suggested action comprises notifying an authority concerning the received information.

10. (Previously presented) The method of claim 1, wherein the received information is received electronically from an external database.

11. (Previously presented) The method of claim 1, further comprising performing a calculation on the risk assumed by a financial institution as represented by the risk quotient.

12. (Previously presented) The method of claim 1, further comprising aggregating a plurality of the risk quotients in order to calculate a total risk quotient representative of a total risk assumed by a financial institution.

13. (Previously presented) The method of claim 1, further comprising calculating an average risk quotient based on a plurality of the risk quotients.

14. (Previously presented) The method of claim 1, wherein at least a portion of the received information is received in a pre-structured format.

15. (Previously presented) The method of claim 1, wherein the risk quotient is calculated by multiplying a numerical value representative of a risk associated with the risk criteria times a numerical value indicative of a category weighting.

16. (Previously presented) A computerized system for managing risk associated with opening a client account, the system comprising:

a computer server accessible with a network access device via a communications network; and

executable software stored on the server and executable on demand, the software operative with the server to cause the system to:

receive digital information relating to the client account;

structure the received information according to risk quotient criteria associated with areputational risk of opening the client account, wherein said reputational risk relates to a professional standing in an industry of an account opening entity;

associate a weight with the calculated risk quotient criteria;

calculate a risk quotient based on the structured information and the weight associated with the risk quotient criteria; and

generate a suggested action in response to the risk quotient.

17. (Previously presented) The computerized system of claim 16, wherein the software is further operative to cause the system to:

store data in a risk quotient criteria database, wherein the stored data includes the received information, the risk quotient, and the suggested action; and

generate a due diligence report based upon the stored data.

18.(Original) The computerized system of claim 16 wherein the network access device is a personal computer.

19. (Original) The computerized system of claim 16 wherein the network access device is a wireless handheld device.

20. (Previously presented) Computer executable program code residing on a computer-readable medium, the program code comprising instructions for causing the computer to:

receive digital information into the computer relating to a client account;

structure the received digital information according to a risk quotient criteria associated with a reputational risk of opening the client account, wherein said reputational risk relates to a professional standing in an industry of an account opening entity;

associate a weight with the risk quotient criteria;

calculate a risk quotient based on the structured information and the weight associated with the risk quotient criteria; and

generate a suggested action in response to the calculated risk quotient.

21. (Cancelled)

22. (Cancelled)

Appendix B - Evidence

This appendix is empty.

Appendix C - Related Proceedings

No other appeals or interferences are known to Appellant or Appellant's legal representative which will directly affect, be directly affected by, or have a bearing on the Board's decision in the pending appeal.

Therefore, there are no copies of decisions rendered by a court or the Board in any related proceeding to include herewith.